

Montana Newsletter

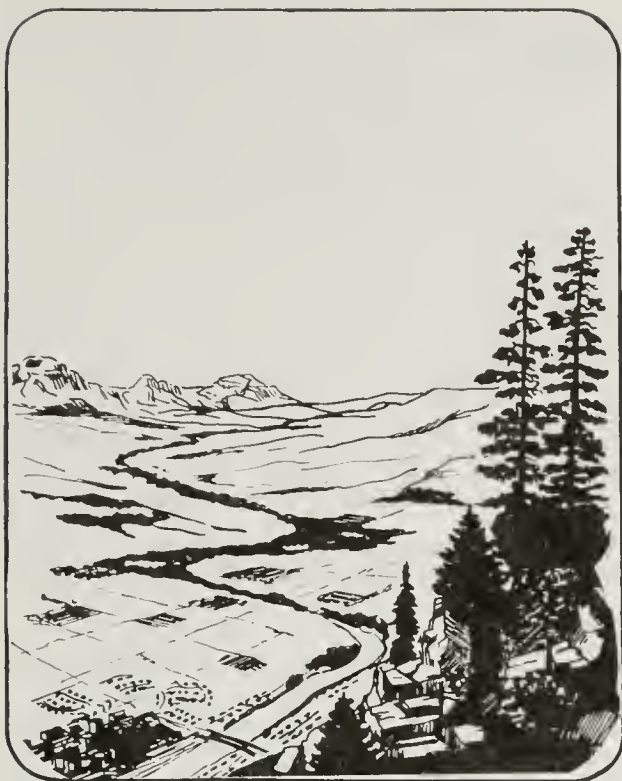
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December, 1980

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Is Your Government Headed for Financial Difficulty?

The ability of local governments to control their financial future can be severely hampered by eroding tax bases, Federal and State mandated programs, continued inflation and restrictive revenue structures. State and Federal grant programs have been increased to fill the gap, but they carry with them the uncertainties of increased dependency on resources beyond local government control.

Many local governments are headed for financial difficulty, some to a greater degree than others. The purpose of this article is to discuss some of the indicators local officials might use to assess their financial condition. Before we proceed, however, it is important to mention that (1) the indicators to be discussed provide information on financial condition, they do not offer solutions and (2) analysis of financial condition requires an understanding of certain factors unique to the local government. The indicators do not always provide a cut and dried viewpoint of a community's financial posture.

In a recent Municipal Finance Officers Association (MFOA) report, five variables were noted that should be monitored by local officials. These variables are discussed below:

1. Economic Base. A strong economic base produces revenue necessary to support public services and lessens the need to expend public funds on such services as police protection, social services and housing rehabilitation. Some specific trends that indicate a declining economic base are:

- Appraised value of real property per capita is growing too slowly or declining;
- Number and value of building permits are declining;
- Number and value of business licenses are declining;
- Retail business is declining;
- Expenditures for public safety and social services are growing as a percentage of total expenditures; and
- Income per capita is declining.

2. Financial Independence. Normally a financially sound government has sufficient control of its finances to enable it to respond to financial crises and support critical programs. Independence is lost when governments become too dependent on outside funding sources, incur excessive debt or commit funds to programs whose costs cannot be controlled. Some specific indicators to watch include:

- A growing percentage for basic services being funded by categorical grant funds;
- A growing proportion of local-source revenues committed to matching funds;
- Tax rates approaching legal limits;
- A growing debt burden;

- A steady pattern of budget overruns in specific activities; and
- Rapid increases in fringe benefits for employees.

3. Municipal Productivity. Municipal productivity is not easily measured, however, some trends that can provide generally useful guidelines are:

- The number of municipal employees per capita is increasing;
- Municipal expenditures after adjustment for inflation are increasing;
- Municipal enterprises are incurring operating losses;
- Customer rates for municipal enterprises are rising rapidly;
- Unit output for selected services is not increasing.

4. Costs Deferred to the Future. Indicators which determine if unreasonable costs are being deferred to the future include:

- Short-term debt and other obligations at year end are growing as a percentage of local-source revenues;
- Long-term debt is being applied to operating programs;
- Declining funding for capital items such as street paving and new equipment; and
- Increasing deferral of current pension costs.

5. Effectiveness of Financial Management. Sound financial management provides the information which local officials need to evaluate their financial condition. Some trends that indicate inadequate financial management practices are:

- Real estate assessments vary greatly from true market value;
- Earnings on short-term investments are declining;
- The interest cost of short-term loans is increasing;
- The incidence of budget-expenditure overruns is increasing;
- The incidence of estimated/actual revenue shortfalls is increasing;
- The amount of taxes and fees uncollected at year end is increasing; and
- The government consistently fails to obtain an unqualified audit opinion on financial statements.

The indicators described above can be developed and analyzed on a regular basis. It is recommended when proceeding with such an analysis that several years data (normally 5) be utilized so that significant trends can be more effectively detected.

It is also important to remember that the development of these indicators is not an end in itself but rather the tool through which an analysis of a government's financial posture can be accomplished. For further information local officials can obtain the publication entitled, "Is Your City Heading for Financial Difficulties?: A Guidebook for Smaller Cities and Other Governmental Units," Chicago, Ill.; MFOA, 1978 - 43 pages.

Development Finance Reports Issued with Legislative Recommendations

Editor's Note: Within the last month two reports have become available which could have important effects on economic development legislation in the 1981 Session.

"Capital Formation and Development Finance in Montana" prepared by Western Analysis, Inc. of Helena, Montana and funded by the Old West Regional Commission, the Governor's Office of Commerce and Small Business Development, and the Montana Public Investment Planning Process provides excellent back-

ground information for individuals and groups interested in a state level development organization. The report discusses the capital market in Montana and its impact on new business development and expansion. Development financing structures in other states are reviewed as well as techniques for improving capital availability in Montana. The principal recommendation in the report is for the creation of a Montana Development Foundation, a private non-profit entity jointly funded by the state and private sector contributors to assist new local entrepreneurs and provide the staff support for a proposed Montana Development Finance Corporation. The recommendation calls for a one year organizing effort funded with state and federal money to solicit private participation in the Foundation.

The report offers the most current and thorough analysis of Montana's capital needs and it is expected that the ideas incorporated in the report will receive careful consideration during any legislative discussion of a Montana development finance organization.

Copies of the report are available from the Old West Regional Commission or the Office of Commerce, both located in the Governor's Office in Helena, telephone 449-3923.

The Montana Capital Development Association, an association of several private sector groups interested in supporting development legislation, has announced completion of a study by Western Analysis on branch banking in Montana. The study, *"The Case for Branch Banking in Montana,"* discusses questions frequently asked about branch banking. The study concludes, in part, that Montana with less restrictive branching laws could have increased banking offices, increased lending limits and loan activity and improved allocation of credit. The study also states that a much less restrictive banking structure would allow a more responsive system for providing necessary capital to those areas of the state where greater diversification and growth are feasible and desired.

Copies of the study are available from the Association, P.O. Box 214, Helena, MT 59601.

Limited branch banking legislation has been prepared by the Interim Legislative Study Committee on Branching of Financial Institutions. A member of the committee will discuss the committee's findings at the January meeting of the Montana Economic Development Association (see following article).

Montana Economic Development Association Announces January Meeting

"Economic Development — The Issue of the 80's"

On January 8 at the Coach House East in Helena the Montana Economic Development Association will offer an opportunity for local economic development
(Continued on next page . . .)

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We welcome responses to articles, guest articles, reader letters, article suggestions, and notifications of events or programs of general interest to local government officials. Permission to reprint material from MCN is hereby granted.

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R. Thomas Dundas, Jr. 449-2896

Montana Economics Con't. . . .

interests and legislators to exchange views on ways the state can foster economic growth and stability in Montana communities. Several proposals for direct assistance to the business sector as well as a more comprehensive supportive state role in economic development are being prepared for the 1981 Legislature. Both the legislators and local groups have expressed strong interest in a joint meeting early in the session to review these proposals in the context of local problems and needs.

Darryl Lee, Director of the Butte Local Development Corporation and Temporary Chairman of the Association will open the all-day meeting at 9:00 a.m. The following agenda has been developed for the meeting:

Morning

9:15 View from the Front Lines — Problems, Resources, and Needs to Successfully Foster Economic Growth and Stability

Tony Priete, Director
Bear Paw Development Corporation

Jack Hill, Director
Great Falls Growth Council

Les Prentice, Director
Missoula Redevelopment Agency

Carol Daly, Exec. Director
Private Industry Council of Montana

10:30 Capital Formation and Development Finance in Montana

Dick Bourke and Bruce Finney
Western Analysis, Inc.

11:15 Branch Banking — The Interim Committee Proposal

12:00 Lunch (Where You Like)

Afternoon

1:30 Legislation Addressing Economic Development Problems

Development Finance and the Interest from the Coal Tax Constitutional Trust
Representatives Dan Kemmis
and Jim Azzara

A Four Point Economic Development Plan Utilizing Interest from the Coal Tax Constitutional Trust

Senator Tom Towe

Legislative Concerns and Economic Development

Representative Jay Fabrega — Chairman
House Business and Industry Subcommittee

3:30 The Executive Initiative for Economic Development

Gary Buchanan, Special Assistant to
Governor Schwinden

4:30 Adjournment

Local private sector development groups, Chambers of Commerce, public agencies and legislators have been invited to the January 8 meeting. The general public is also most welcome. There will be no registration fee. If you would like more information contact:

Carol Daly, Director
Private Industry Council
P.O. Box 1237
Helena, MT 59601, 443-7343

Ann Mulrone, Senior Planner
DCA/Community Development Division
Capitol Station
Helena, MT 59620, 449-3757

DNRC Seeks Applicants For Rural Community Fire Protection Program

Applications for Rural Community Fire Protection Program (RCFP) matching funds are presently being solicited, according to Montana Department of Natural Resources and Conservation (DNRC) director, Ted Doney. Stating that requests for federal matching funds for fire protection can come from small communities, counties, volunteer fire companies or rural fire districts, Doney emphasized that grant applications should be filed with the department by January 31, 1981.

The grants are made under the Rural Community Fire Protection Program, which is funded by the federal government through Cooperative Forestry and is administered by the U. S. Department of Agriculture through DNRC's Division of Forestry. The funds, which are limited to communities or areas with less than 10,000 population, are used to defray up to one-half of the cost of local fire protection, including the costs of organizing, training, or equipment. The construction of fire stations for housing equipment does not qualify.

Over the past six years \$340,000 has been granted to fire fighting organizations. During 1980, the purchase of four new fire trucks, modification of several others and the purchase of \$157,000 in fire fighting equipment was made possible with \$59,000 in federal matching funds. Average project size in 1980 was \$3,000 and this figure should be used as a guide for projects in 1981.

Doney expects federal funding for the current fiscal year will continue at the 1980 level and the department will start accepting grant applications immediately. Applications should be sent to the: Department of Natural Resources and Conservation, Division of Forestry, 2705 Spurgin Road, Missoula, Montana 59801. (Phone: 728-4300).

More information on the program and project application forms are available from the DNRC Division of Forestry, Missoula, or from the local forestry office in your area:

Anaconda Box 93, Star Route West, 59711

563-6078

(Continued on next page . . .)

DNRC Seeks Con't. . . .

Billings	Suite 121, 1537 Avenue D., 59102	248-6540
Bozeman	Box 1343, 25 E. Mendenhall, 59715	586-5243
Hamilton	Box 713, 59840	363-1585
Helena	8001 North Montana Avenue, 59601	449-3637
Kalispell	2350 Highway 93 No., Box 224, 59901	755-6575
Lewistown	USDA Bldg., 613 N.E. Main St., 59457	538-5989
Plains	Box 219, 59859	826-3791
Clearwater	Greenough, MT 59836	793-5757
Stillwater	Box 164, Olney, MT 59927	881-2371
Swan Lake	Swan Lake, MT 59911	754-2301

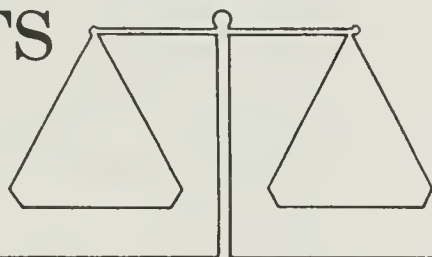
Aeronautics Division Provides Airport Development Loans

The community of Lewistown recently received a loan in the amount of \$40,000 from DCA's Aeronautics Division in order to build new hangars at the Lewistown Airport.

The Division also granted a loan in the amount of \$19,000 to the community of Wolf Point for use in constructing a new airport terminal building and storage facility.

The loans are offered at a low interest rate and must be paid back within a ten year period. The Division makes the funds available to communities throughout the state through its Airport Development Loan Program in order to assist communities in their efforts to maintain and operate local airports as safe and efficient units of Montana's aviation network.

LEGAL BRIEFS



Supreme Court Upholds Zoning Districts

The Montana Supreme Court has held that the creation of county zoning districts upon petition of 60 percent of the affected property owners (pursuant to sections 76-2-101 through 76-2-112, MCA) need not be preceded by the adoption of a county-wide comprehensive plan.

In *Montana Wildlife Federation v. Sager* (Cause No. 79-113, Dec. 10, 1980) the plaintiff wildlife protective organizations had argued that two owner-initiated zoning districts located in Sypes Canyon north of Bozeman were invalid because in creating them the Gallatin County commissioners had not complied with the planning requirements of another statute (sections 76-2-201 through 76-2-228, MCA) which authorizes county-initiated zoning based on a comprehensive plan. The court, however, ruled that the two statutes operate independently of each other and that the county had complied with all applicable requirements in establishing the districts.

The court also held that owner-initiated zoning is not *per se* illegal "spot zoning" and that it need not satisfy the 12 statutory criteria which the court has applied to municipal zoning (*Lowe v. City of Missoula* (1974) 165 Mont. 38, 525 P.2d 551.)

The Cooperative Education Program— A Staff Resource for Local Government

Editor's Note: Recently Community Development Division staff met with Barbara Olson, Director of the Cooperative Education Program at the University of Montana to discuss local assistance opportunities with the statewide intern program. We are hopeful that the program will offer a way to alleviate the staff crunch for many small cities and towns and county governments. Students from every discipline are participating in the program, providing for the first time short-term assistance for almost any community project. Either undergraduate or graduate students are available for three or six month internships or two non-consecutive three month periods. Ms. Olson was in Helena to attend a meeting of all Montana participants in the Cooperative Education Program and reports that a statewide organization, the Montana Association of Cooperative Education, was formed to promote wider utilization of the program and coordinated placement efforts. She submitted the following report on the Cooperative Education Program for *Community News* readers.

WHAT IS COOPERATIVE EDUCATION?

Internships, experiential education, cooperative education — three similar terms used to describe combining the academic aspect of learning with actual job skills training. Cooperative education involves businesses, industries and governments in the university educational process to integrate academic and job skills into a well-balanced educational experience.

The utilization of Cooperative Education can be

(Continued on next page . . .)

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equally beneficial to the host agency, the student and the University system.

The host agency has the option of training selected students for tasks where they are needed. The Co-op students can also be used to fill short-term employment needs to complete special projects where it is impractical to use other permanent employees.

Co-op students have the opportunity to utilize, in an actual work situation, the knowledge they have gained in an academic setting. It is a chance for the student to clarify career goals and gives the student valuable work experience.

The university gains an insight to the job skills needs of businesses, industry and government. This enhances the possibility of placements for graduates and, in general, strengthens the working relations between the business and academic communities.

Cooperation Education can be an integral part of education for the entire community. Learning through academic training and on-the-job experience can only lead to a more productive, satisfied employee-employer relationship.

HOW DOES IT WORK?

Usually, a prospective Cooperative Education student has completed at least 45 quarter-hours of study. Through the Co-op office, a student is placed with a host agency that represents his or her career goals following graduation. Under the supervision of an experienced professional and the guidance of an academic advisor, the student undertakes responsible tasks which should contribute to the overall objectives of the sponsoring organization. Following the work assignment, evaluations are completed by the host agency supervisor, the academic supervisor and the student.

Students involved in a Cooperative Education Program must be enrolled in a program leading to a degree. Therefore, the student must pay tuition for the quarter. Credits are normally granted to the student in one of the academic fields related to the work experience.

Host agencies are, in effect, hiring a full-time employee. Usually the agency will pay the student entry level wages and allow the Co-op student the same benefits as their other employees. In many cases, students are placed away from the academic setting, thus, incurring additional living expenses. The host agency supervises the work of the Co-op student. In return, the agency can expect an enthusiastic and highly motivated employee who will contribute greatly to the agency's program.

The University faculty advisors or coordinators are responsible for assigning grades to the Co-op student. The advisor and Cooperative Education Director will also work with the supervisor and student to make the work assignment relevant and successful for all parties involved.

Overall, Cooperative Education is a superb way of integrating academics and business opportunities. Benefits exist for everyone involved.

The following Montana institutions are participating in the Cooperative Education Program. Directors are named when known. Contact the institution for current information.

University of Montana
Barbara Olson
Cooperative Education Program Director
Main Hall 125
Missoula, MT 59812
243-2815

College of Mineral Science and Technology
Suzanne Weghorst
Cooperative Education Program Director
West Park Street
Butte, MT 59701

Northern Montana College
Gail Reynolds
Cooperative Education Program Director
Havre, MT 59501

Miles City Community College
Ranna Weddicomb
Cooperative Education Program Director
Miles City, MT 59301

Montana State University
Ron Harris
Cooperative Education Program Director
Bozeman, MT 59717

Carroll College
Vic Benevente
Cooperative Education Program
Helena, MT 59625

College of Great Falls
Great Falls, MT 59401

Community Development to Sponsor Cooperative Education Students

The Community Development Division has been awarded a rural development grant by the Farmers Home Administration to help rural communities plan for and take advantage of their options for economic growth and development. The program is directed to the concerns for additional job opportunities and broader local tax base articulated by communities during the initial assistance effort funded by FmHA. Participation in the Cooperative Education Program (described in the previous article) has been selected as one way to bring the expertise necessary to address specific problems to local communities. Initially the Farmers Home program will support four students to work in communities for three or six month periods beginning in March, 1981. Graduate and undergraduate students from the University of Montana in Missoula, Montana State University in Bozeman, and the College of Mineral Science

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and Technology in Butte will be available to participating communities.

Cities and towns with less than 5,000 population, and counties with no city or town of 5,000 population or above located in Farmers Home Districts I, II, and IV are eligible to apply to DCA for student assistance. These districts include all of Montana west of Treasure, Rosebud, Big Horn, Petroleum and Phillips counties. Non-profit groups organized for economic development purposes may be designated by the local government to receive the assistance, provided the application is submitted by and signed by the local government unit. The applicant must identify a specific problem which is impeding the community's ability to maintain or improve its economic stability. The problems may be experienced by either the public or private sectors. Examples include:

- 1) water or sewer systems which cannot accommodate an identified expansion or improvement need for business or industrial service;
- 2) a local industry is in need of expansion capital or space;
- 3) declining retail sales have resulted in closures and job reductions in the downtown area;
- 4) the local budget is close to deficit and cannot accommodate any plan for identified public service improvements.

Applicant communities should identify all the problems they can which are affecting their objectives as more than one student may be assigned to selected communities. Selection criteria will be:

- 1) How much the resolution of the problem will contribute to the local economic environment;
- 2) The extent to which the problem can be resolved in three or six months.

Following selection of communities representatives from the Department of Community Affairs and the community will interview students selected by the Cooperation Education program. The Community Development Division will develop a work program for the project with the community and student and will provide regular supervision and evaluation. Communities interested in the student assistance project are invited to submit a letter briefly describing their problem and objectives by January 20, 1981 to Ann Mulroney, DCA/Community Development Division, Capitol Station, Helena, MT 59620, telephone 449-3757.

Stillwater County Seeks Applicants for Planning Director

The Stillwater County Planning Board is seeking applicants for the position of Planning Director.

The Planning Director will be responsible for di-

recting the county planning program, the Planning Office and other functions and activities for the County Planning Board. This is a professional planning position and applicants should be capable of setting up budgets, directing staff activities and office functions, and working with the planning board and local elected officials. The director will prepare routine ordinances and resolutions, research legal and property data, conduct studies and write reports on problems concerning building construction, zoning, subdivision, and perform other assigned duties, as required.

The position requires a working knowledge of the principles and practices of community planning and development; an ability to establish and maintain effective working relationships with other employees and the general public; an ability to conduct meetings, surveys, and investigations and collect, interpret, and analyze data pertinent to planning; and an ability to prepare clear and concise oral and written reports.

Applicants must possess a bachelor's degree in planning or a related field and two years of planning experience.

Applicants and resumes will be accepted until January 6, 1981.

For further information contact Chairman Earl Adams, Stillwater County Commissioners, Box 147, Columbus, Montana 59019, telephone (406) 322-5514 (home phone) or the County Planning Office, Box 881, Columbus, Montana 59019, telephone (406) 322-4439.

Interviews for selected applicants will be held on January 12, 1981.

Urban Renewal Law Provides Framework for Downtown Revitalization

Since 1959 Montana communities have been authorized by state statute to designate urban renewal areas for the purpose of undertaking improvement and revitalization activities. Although Billings was the first community to establish an urban renewal area Helena has been the most active participant in the program, combining the planning provisions outlined in Montana's statute with federal and local financing to complete the most extensive downtown redevelopment in the state. The list of communities with urban renewal plans also includes Anaconda, Butte, Great Falls, Kalispell, and Missoula. In 1974 the use of tax increment financing was authorized in urban renewal areas and all but Anaconda have tax increment provisions. The Helena City Commissioners have also recently approved a substantial extension of their original district. The participation in urban renewal programs and the growing interest in downtown revitalization activities reported in last month's *Community News* warrant a review of these planning and financing sections which can transform a critical problem into a program for action.

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Urban Renewal Con't. . . .

Montana's Urban Renewal Law (Title 7, Chapter 15, 4201-4324, M.C.A.) was originally adopted to enable local participation in the federal urban renewal assistance program administered by the Department of Housing and Urban Development. Although the HUD program is now defunct the state law provides an excellent structure for organizing and financing a local revitalization program. To initiate a local program, the municipal governing body must adopt a resolution of necessity which finds that one or more areas of blight exists and that redevelopment of these areas is necessary and in the interest of the public health, safety, and welfare. The conditions of blight which must be addressed are listed in the statute. For the resolution of necessity phase, a geographic area of blight and blighting conditions must be identified. Following the resolution the planning process begins. The plan requirements in the statute provides excellent guidance for an action plan by stating that land acquisition, improvements, rehabilitation, and land use and zoning changes be specified. When the plan is completed it must be reviewed by the planning commission for conformance to the community comprehensive plan prior to adoption by the governing body. Following adoption, redevelopment activities can begin. These activities may either be assigned to an existing officer or department of the municipality or an urban renewal agency may be established. If the latter is the choice the governing body must appoint a five member board of commissioners to decide on actions of the agency. Only Butte and Missoula have created urban renewal agencies. Elsewhere the city commissions themselves have been designated as the implementing department. All, however, have chosen to establish advisory commissions. The establishment of an effective structure for citizen participation in renewal programs is vital to their success; indeed, all the existing programs in the state were initiated by private efforts.

The powers available to implement urban renewal activities include eminent domain, the authority to borrow money, apply for and accept financial assistance, and enter into contracts. The expansion of the borrowing authority in 1974 which authorized the use of tax increments to finance renewal projects, including premium and interest payments on bonds issued for these projects, was an incentive for increased efforts to establish renewal areas. The tax increment authorization, by providing revenue for bond amortization other than property assessments or user fees, enables financing for renewal activities not suitable for the SID or revenue bond structure. Activities which can be financed with tax increments, either outright or by bonds, include land acquisition, demolition and removal of structures, relocation, streets, sidewalks, pedestrian malls, offstreet parking facilities, public buildings, water and sewer lines, and other public improvements. To use tax increments the urban renewal plan must contain a provision which calls for their seg-

regation and application to renewal activities. The effective date of the tax increment provision establishes the base taxable value of all property within the renewal area for the purpose of determining tax increments. A certified copy of the plan must be filed with the clerk of the municipality and each affected taxing body. Subsequent to this date all incremental tax levies of all taxing bodies against property in the area are paid into a special fund held by the treasurer of the municipality. Plans for the use of the tax increment are reviewed and approved annually by the governing body. The tax increments are generated by development and their use for public expenditures is intended to expand the benefits derived from actual development. For example, the tax increments resulting from the construction of the new Sheraton Hotel in Billings financed a new parking ramp. The tax increment from the Central Square office project in Missoula will provide the financing for parking and other public improvements to the downtown area. Improvements financed with tax increments often make the initial development feasible as well as provide incentives for further private development or redevelopment. The only renewal activity listed in the urban renewal statutes which is not an authorized activity for tax increment financing is rehabilitation of areas or structures. The Montana chapter of the National Association of Housing and Rehabilitation Officers will seek an amendment to the statute during the coming legislative session in order to authorize these activities, as well.

Urban Renewal programs with tax increment financing offer the best opportunity for comprehensive planning and project financing in deteriorating areas. Once a tax increment is realized these funds can be used not only for local public projects but can provide useful leverage for additional private investment and federal financial assistance. For those interested in pursuing a downtown renewal program a list of local contacts in communities with renewal programs follows this article. Butte, Helena and Missoula have the most recent planning experiences while Billings and Missoula could probably provide the most current information on tax increment financing procedures. The list of contacts includes several private organizations actively involved in local urban renewal programs. The Community Development Division would also be pleased to help communities get a program underway. For further information, contact Ann Mulroney, DCA/Community Development Division, (telephone) 449-3757.

Local Contacts for Urban Renewal Information

James Manning, Executive Director
Anaconda Community Development Agency
103 Main, Box 1387
Anaconda, MT 59711
563-5227

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Thomas Mckerlick
Community Development Director
City of Billings
510 North 28th
Billings, MT 59103
248-7511

Tom Cash
Community Development Director
Butte-Silver Bow Government
County Courthouse
Butte, MT 59701
723-8262

Janet Cornish
Butte-Silver Bow Rehabilitation
and Renovation Agency
Butte-Silver Bow Government
County Courthouse
Butte, MT 59701
723-8262

Al Johnson
Community Development Director
Civic Center
Great Falls, MT 59401
727-5881

Alice Fryslie, President
Helena Improvement Society
c/o Your Travel World
104 Broadway
Helena, MT 59601
442-4493

(This organization financed the preparation of the plan for the extension of the Helena Urban Renewal area.)

Don Kerns
Community Development Office
City of Helena
City-County Offices
Helena, MT 59623
442-9920

Ed Gallagher, Director
Community Development Department
City of Kalispell
Whipps Building
Kalispell, MT 59901
257-7491

(Ed is organizing the effort to amend the tax increment statutes to permit rehabilitation activities.)

Charles Mercord, President
Kalispell Development Corporation
c/o First Federal Savings and Loan
202 Main
Kalispell, MT 59901
755-7101

Les Prentice
Missoula Redevelopment Agency
201 West Spruce
Missoula, MT 59801
721-4700, X207

Small Business Administration Gears Up for New LDC Program

The Small Business Administration (SBA) has received a \$100 million appropriation to initiate the 503 program for local development corporations (LDCs), a program planned to eventually replace the 502 program for LDCs. The key feature of the program is the replacement of the direct participation by SBA in a 502 loan package with a 100% guarantee for debentures (unsecured debt) issued by the 503 corporation to finance up to 50% of a project not in excess of \$500,000. The Federal Financing Bank is the guaranteed purchaser of the local bonds at an interest rate to be established by the U.S. Treasury. The bonds will carry a 25 year term and be subordinated to the conventional loan share of the package. At least 10% of the project must be contributed by the 503 corporation and conventional financing provides the remaining 40%. The participation ratios may vary depending on the financing capabilities of the project. The LDC may also use the proceeds from the debenture issue to participate in more than one project. As for all SBA programs the LDC must submit evidence that the desired financing is not available from non-federal sources on reasonable terms. Proceeds from the bonds may be used to assist small business concerns in financing plant acquisition, construction, conversion or expansion, including the acquisition of land.

Another significant difference between 502 and 503 corporations is the certification requirements. To participate in the 503 program a corporation must have a full time professional staff capable of packaging, processing, closing and servicing its loans and business servicing ability which includes management services. These capabilities can be acquired on a contractual basis or may be drawn from the staff, board or membership of the development company. The corporation is authorized to charge the assisted business concern a reasonable processing fee and a periodic service charge to cover these administrative costs. Limits for these charges are established in the regulations. In addition, the board of directors must meet once every other month and submit an annual report to SBA which includes financial management information and an activity report on the assistance the corporation has provided to small businesses. To retain certification the corporation must provide significant assistance to at least one small business every year.

The Great Falls Growth Council and the Butte Local Development Corporation are seeking

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Small Business Con't. . . .

certification as 503 corporations. *Community News* will report from time to time on these and other efforts to use the program in the state. The LDC structure has enabled SBA participation in important local development projects in the past. If the excellent financing options offered through 503 corporations are realized and can foster acceptance of the more stringent management requirements some comprehensive local business service organizations could result.

For more information on the SBA 503 program contact Dave Davidson, the SBA District Office, Federal Building, Helena, MT, telephone: 449-5381.

Montana's Industrial Revenue Bond Law

Editor's Note: The *Community News* will regularly feature informative articles to assist local businesses and economic development groups and agencies with planning and carrying out their programs for improving Montana's economic environment. The following discussion on Montana's industrial revenue bond law was prepared by Ev Darlinton of DCA's Research and Information Systems Division.

In 1965, Montana's legislature passed the Industrial Development Projects Act, commonly referred to as the state's "Industrial Revenue Bond Act". Succeeding Montana legislatures have broadened this act to permit the issuance of industrial revenue bonds for not only manufacturing enterprises but also for commercial and agricultural enterprises; recreation or tourist facilities; hospitals, long-term care facilities, or medical facilities; local, state and federal governmental facilities; and multi-family housing. Montana's Supreme Court declared the act to be constitutional in June, 1970.

The law provides the following:

A notice of public hearing on the proposed project must be published at least once a week for three (3) consecutive weeks prior to the hearing in a newspaper having general distribution within the local area (or statewide distribution in the case of the Board of Aeronautics). The notice must contain the time and place of the hearing, the general nature of the project, the name of the lessee or borrower, and the estimated cost of the project.

If, upon holding the hearing, it appears that the public interest warrants, city councils, county

commissioners, or the Board of Aeronautics, as the case may be, can issue industrial revenue bonds for the purchase of land, the construction of facilities, and the obtaining of machinery and equipment for any new or expanding enterprise that is included under the act. Proceeds from the sale of the bonds must be used for the specified project only and no bond money can be used for working capital. However, proceeds from the sale of the bonds can also be used to discharge any existing indebtedness secured by a lien against a hospital or long-term care facility leased or owned by a nonprofit corporation.

The issue may be in an amount sufficient to not only retire the bonds but to pay the interest on them and to reimburse the governing body for all expenses, premiums and commissions which it deems necessary or advantageous to incur in connection with the authorization, issuance and sale of the bonds.

The lessee or operator of any property financed by industrial revenue bonds must pay the taxes due on the property even though the title to the property may be held by the governing body until the bonds are retired. held by the governing body until the bonds are retired.

The governing body may grant a lease or loan period of up to 30 years. The lessee or borrower may obtain an option to purchase the property after his lease or loan expires or by such terms and conditions as may be mutually acceptable to both parties.

The governing body can issue industrial revenue bonds for projects which are located within Montana and may be located within, without, partially within or partially without, the governing body's jurisdictional limits.

No governing body may operate a project which is financed by industrial revenue bonds except as the lessor thereof and the governing body cannot acquire property by condemnation under this act.

Bonds and interest coupons issued under the authority of this act do not constitute an obligation or liability of the governing body or a charge against its general credit or taxing powers. This limitation shall be plainly stated upon the face of each bond issued.

Prior to the issuance of bonds for a project, the following must be determined:

1. The amount necessary to pay the principal and interest on the bonds that are proposed to be issued.

2. The amount necessary to pay the taxes on the project.

3. The amount to be paid into any reserve fund which the governing body may deem advisable to establish in connection with the retirement of the bonds and the maintenance of the project.

4. The estimated cost of maintaining the project in good repair and keeping it properly insured, unless the terms of the lease or loan agreement specify that the lessee or borrower shall maintain the project and carry all proper insurance with respect thereto.

The Board of Aeronautics may exercise the power and authority of a municipality in the issuance of industrial revenue bonds for projects which are suitable
(Continued on next page . . .)

Montana Industrial Con't. . . .

for use by commercial enterprises that provide scheduled air transportation services primarily within Montana if such projects are located within, or based and used primarily within, the state. Eligible projects include personal or real property suitable for use by a scheduled air transportation enterprise.

When a governing body holds a public hearing and decides to issue industrial revenue bonds, it contacts an investment banker or insurance company who provides a financial consultant to the governing body at no charge in order to assist the body in steering the legal requirements and paper work through their proper channels. The investment company will take over the project and, when the bonds are issued, it will give the governing body a check for the amount of the bonds. The governing body will then pay the lessee or borrower the amount of money necessary to construct the project and the investment company will sell the bonds and earn their fee through commissions.

A trustee (a bank, attorney, or other qualified party) is appointed to collect the lease or loan payments from the lessee or borrower and, in turn, will distribute the proceeds to pay interest, retire bonds, and other obligations associated with the bond issue. This frees the governing body from having to handle these transactions, although it is given a full report on the progress of the project.

Since the financial risk is taken by the bond buyer, an industrial revenue bond issue will not usually sell unless the proposed lessee or borrower is highly qualified and has the financial resources and experience to make the project successful. The underwriter and the investment companies conduct their own analysis of proposed projects to determine their desirability for investment.

If industrial revenue bonds are issued for a total of \$1 million or less, the interest earned on the bonds is tax exempt by both the Federal Internal Revenue Service and the State of Montana. In most cases, industrial revenue bond issues totaling \$10 million or less are accepted by the IRS as tax exempt and, for certain special purposes such as pollution control, there is no limit on the size of an issue. Due to the tax exempt feature, bond buyers like to purchase industrial revenue bonds to finance feasible projects but because, in the case of default, the bond buyers cannot turn to the governing body for payment, they do not purchase bonds for questionable ventures.

All, or any part, of the property financed by industrial revenue bonds can be mortgaged by the governing body to the bond buyers. In the case of default, the mortgage can be foreclosed and the property liquidated or sold as a unit, with the proceeds going to the mortgagee.

Housing Bonds Restricted

This month Congress passed legislation restricting the use of state or local revenue bonds for housing. The bill, H.R. 7765, includes under Title XI, Revenue Measures, provisions and restrictions regarding Mortgage Subsidy Bonds. The restrictions will affect the Montana Board of Housing and any entity using tax-exempt, revenue or general obligation bonds to finance owner-occupied (1-4 units) and rental (5+ units) housing projects. The new law not only adds to the squeeze on money or credit for housing, it also creates complex and costly provisions to the use of bonds in housing finance. Further, the law eliminates the tax-exempt status of state or local industrial revenue or development bonds whose proceeds, or a "significant portion" of the proceeds, are used for financing housing developments starting on or after January 1, 1984.

The new law leaves open a small "window" for the issuance of Mortgage Subsidy Bonds to finance certain qualified mortgages and rental housing developments. From January 1, 1981, through December 31, 1983, the law will allow bonds to be tax-exempt if they meet the restrictions and provisions established by House and Senate conferees who wrote the final version of the legislation.

Some examples of the complexities and quirks in the new law are as follows:

- mortgage bonds may be issued only if the proceeds are used to purchase owner-occupied residences that are no more than 90% of the average purchase price for homes in an area;
- the purchase price may increase to 110% of the average for approved targeted areas or areas of chronic economic distress (the U.S. Department of Treasury and HUD must approve distressed areas under rules each have yet to adopt);
- each mortgagor must not have been a homeowner for the previous three years, with exceptions for mortgagors in targeted areas;
- bond proceeds may not be used to acquire or replace an existing mortgage;
- properties to be purchased must have been used as a residence for at least five years before the mortgage is executed;
- rental projects in targeted or chronically distressed areas must have at least 15% of the units for low and moderate income occupants, and all others at least 20% for low and moderate income occupants;
- the total amount of bonds allowed under these provisions in each state is limited to \$200 million or 9% of the average annual amount of mortgages in the state over the last three years; and
- the total bond authority must be allocated

(Continued on next page . . .)

Publications of Interest

The Private Development Process

An article in the November issue of *Montana Community News*, entitled "Resources for Meeting Lower Income Housing Needs," discussed ideas, programs and publications useful for developing local low income housing programs. That article cited three publications available from the U.S. Department of Housing and Urban Development (HUD) but failed to mention the fourth publication in the series: *The Private Development Process, A Guidebook for Local Government*.

The Guidebook's fifty pages briefly examine the concerns and issues each successful housing development or project encounters. The document was written to provide local government officials an overview of the issues private enterprise must consider and overcome in successful project development and implementation. Throughout the text there are references to the other publications in this series which provide suggestions for how the local government can participate in the development process to both facilitate development and to help direct its path. Thus, the Guidebook serves to integrate the four publications in this series.

As a convenience to MCN readers, DCA's Community Development Division has arranged with HUD's Office of the Assistant Secretary for Policy Development and Research to distribute 100 copies of each publication. Because of the limited supply, requests will be filled on a first-come, first-served basis. Please call the Division in Helena (449-3757) or write to the Department of Community Affairs, Community Development Division, 1424 9th Avenue, Helena, MT 59601, and specify the publication(s) you desire.

Single copies may also be obtained from the U.S. Department of Housing and Urban Development, Office of the Assistant Secretary for Policy Development and Research, Division of Product Dissemination and Transfer, Room 8124, Washington, D.C. 20410.

Housing Bonds Con't. . . .

Unfortunately there are more stories hidden in the law. One of the more interesting ones is a provision making clear that the "small issue exemption" of federal codes for industrial development bonds may not be used to circumvent the restrictions in this law, and so the conferees made this law applicable to "small issue exemptions." Hopefully, more information will emerge from HUD and the Treasury departments to help explain the maze created by this law. For some information and unofficial interpretations of the law and its impacts in Montana, contact the Montana Board of Housing, 2001 11th Avenue, Helena, MT 59601, (406) 449-3040; or Kent Mollohan, DCA, 1424 9th Avenue, Helena, MT 59620, (406) 449-2804.

Facilitating Private Sector Reinvestment

A recent report published by the American Planning Association's Planning Advisory Service should be of interest to planners interested in neighborhood or community reinvestment. Entitled *The Planner's Role in Facilitating Private Sector Reinvestment*, the publication discusses several strategies "to facilitate private sector reinvestment in older neighborhoods." While essentially written for urban revitalization, several portions of the document apply to smaller communities as well: those eligible for Urban Development Action Grants, those using or contemplating Community Development Block Grants, and those seeking closer working relationships with state and private sector agencies and programs. Topics covered include an overview of neighborhood reinvestment, financial leveraging strategies, supportive strategies, state strategies, and the planner's role in enhancing private sector initiatives. Copies of the publication may be ordered from the American Planning Association, 1313 East 60th Street, Chicago, Illinois, 60637. Request Planning Advisory Service Report Number 340. The cost is \$10.00.

1981 HUD Program Guide

HUD's popular guide to federal community development and housing programs has just been issued in the 1981 updated version.

The 95-page booklet, "*Programs of HUD*," lists 78 major programs, with a brief description of each, including applicant eligibility, legislative authority, current status, scope of the program and a contact for more information. The booklet also lists the addresses of all HUD regional, area, service and insuring offices.

For copies of the book write: Dept. of Housing and Urban Development, Publication Service Center, Room B-258, 451 7th Street, S.W., Washington, D.C. 20410.

Energy Guide for Communities

The Compendium of Federal Programs Related to Community Energy Conservation is a 59-page soft-cover book which covers potential funding sources in the following areas: appropriate technology, consumer protection, housing weatherization and repair, information, nonhousing assistance, and solar energy.

Copies can be obtained, free of charge, by writing: U.S. Department of Housing and Urban Development; Office of Neighborhoods, Voluntary Associations and Consumer Protection; 451 7th Street, SW; Washington, D.C. 20410, Attn: Brad Ziff.

(Continued on next page . . .)

Publications of Interest Con't. . . .

Energy-Conserving Development Regulations

A recent study by the American Planning Association (APA) found that local planning agencies are using their development regulations to promote energy efficiency in a variety of innovative ways. Many communities are changing subdivision and zoning ordinances to encourage developers to design more energy-efficient projects. The results are encouraging: reduction in the heating and cooling needs of buildings and in the energy needed for construction materials. In some cases, alternative sources of energy are being used:

—Port Arthur, Texas, planning staff provided the necessary technical assistance in site design to a local developer so that buildings were situated with proper solar orientation.

—King County, Washington, recently amended its land-use regulations to increase density limits in residential zones and simplify the review process for energy-efficient townhouse projects.

—Windsor, Connecticut, revised its regulations to permit professional and home-occupation uses in residential zones. In return for proximity to commercial facilities, lot-coverage restrictions were relaxed and off-street parking requirements for multifamily projects were reduced by 25 percent.

—Douglas County, Kansas, amended its zoning ordinance to permit energy-efficient earth-sheltered structures as permanent residences.

This trend of energy-conserving development regulations appears to be growing rapidly. Although experience with these new ordinances is still limited, some interesting patterns are evolving. The study found that most of the communities examined have taken a voluntary approach to encouraging energy conservation. They are offering incentives or simply removing regulatory barriers, rather than making energy-efficient development mandatory.

In addition, most communities are focusing on small-scale solutions, choosing among the various conservation options on a project-by-project basis, with a heavy emphasis on passive solar techniques. Most places surveyed adopted their regulations on an ad hoc basis, as the need arose. Few have a comprehensive, community-wide conservation plan or program, although some are now working on such a plan.

The results of the APA study were published in *Energy-conserving Development Regulations: Current Practice* (PAS Report No. 352). The study, which was conducted for the Argonne National Laboratory and funded by the Division of Buildings and Community Systems of the U.S. Department of Energy, describes the experiences of 13 communities that have amended their development regulations to save energy. The report includes examples of ordinances and names of contacts in each community. Copies are available through the APA Planners Bookstore, American Planning Association, 1313 E. 60th St., Chicago, Illinois 60637. The cost is \$12.

Residential Solar Design Review

Local architectural controls often pose a serious barrier to solar energy use. According to the American Planning Association, "almost all the lawsuits involving solar energy use have occurred because of local controversies over the appearance of solar buildings and solar installations."

In order to deal with these design issues, the APA has prepared a guidebook called, *Residential Solar Design Review: A Manual on Community Architectural Controls and Solar Energy Use*. The guide was produced by the APA under contract to the U.S. Department of Housing and Urban Development and the U.S. Department of Energy.

The 86-page manual examines the design issues associated with solar buildings and describes how such buildings may conflict with public and private architectural restrictions. The authors suggest specific design solutions to the problems posed by restrictions. They also analyze local design review programs and state laws that affect solar installations.

Because the authors present design issues in a non-technical, common sense manner, lay members of planning boards and zoning commissions will find the manual useful, as will planners, architects, and developers.

Residential Solar Design Review is available free from the National Solar Heating and Cooling Information Center, P.O. Box 1607, Rockville, Md. 20850 (toll-free phone 800-523-2929); or from the Superintendent of Documents, U.S. Government Printing Office, Washington, D.C. 20402 (ask for publication number HUD-PDR-579, July 1980).



Saving the Land

Saving the Land: Utilizing of Modern Techniques of Growth Management to Preserve Rural and Agricultural America.

"*Saving the Land*" is available free from the Farmers Home Administration. It contains a discussion of the problems and the variety of approaches for preservation of agricultural land being tried in various parts of the United States. The author, Professor Robert H. Freilich of the University of Missouri Law School, prepared the paper as part of his presentation at an FmHA State Policy Conference last year. Freilich holds degrees from the Universities of Chicago, Columbia and Yale and has served as a consultant to the Council of State Governments, the American Bar Association and the National Association of Homebuilders. To obtain copies write: U.S. Department of Agriculture, FmHA Information Office, Room 4115, 14th and Independence Avenue, Washington, D.C. 20250.

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Publications of Interest Con't. . . .

Farmland, Food and the Future

How much farmland is being converted to nonfarm uses? How does the land conversion process work? Does the loss of farmland threaten the ability of the U.S. to meet domestic and world needs for food and fiber? What are local, state and federal governments doing about trends in agricultural land use?

Farmland, Food and the Future examines these questions in detail. It looks at the competition for land and presents the numbers — trends in land use. It looks at the key issues involved — the land market, population distribution, environmental ethics, energy and technology. And it looks at what people are doing about these trends and issues — farmers and ranchers; local, state and federal governments; European countries. The authors of the 16 chapters are leading authorities in research and policy-making in this area and offer ideas basic to intelligent discussion about the future of America's farmland resources.

Softbound, 214 pages, \$8.00, postpaid (with prepayment). Soil Conservation Society of America, 7515 N.E. Ankeny Road, Ankeny, Iowa 50021.

How to Evaluate Rural Water Systems

With the rapid growth in rural population during the 1970's, many rural communities face the problem of providing improved sources of water. A joint research study by the University of Missouri and the U.S. Department of Agriculture has provided a guide local officials can use in planning the development of needed water systems.

The report contains key information used in evaluating the feasibility of different types of water systems. Basic to planning and designing a system are:

- 1) estimates of the consumption rate and number of prospective users;
- 2) location of a water source and determination of treatment needed;
- 3) development of the distribution system;
- 4) determination of the location of water storage facilities; and
- 5) budget analysis to determine financial feasibility.

The study describes a budget technique which has been developed that facilitates preliminary determination of expected revenues, required capital investments, operating costs, and determination of water rates needed to cover costs.

Single copies of this report, *Analyzing the Feasibility of Domestic Rural Water Supplies in Missouri*, Special Report No. 239, are available from Extension Publications Office, 206 Whitten Hall, University of Missouri, Columbia, MO 65211.

Flood Plain Management Slideshows Available

The Missouri River Basin Commission has announced that it has four slideshows about flood plain management available for loan. Included in each program are a set of slides (numbered in order) and a typed script with slide cues noted. Programs vary in length from 10 to 25 minutes. The four topics include: "Flood Plain Management Techniques," "Steps in Flood Plain Management," "Intergovernmental Management of Flood Plains," and "Flood Plain Management Regulations."

The programs were produced by the U.S. Water Resources Council and are available to the public at no charge. To borrow the presentations, contact Jackie Ossian, Librarian, Missouri River Basin Commission, Suite 403, 10050 Regency Circle, Omaha, Nebraska 68114.

DCA's Community Development Division has copies of three publications available for public distribution.

Montana's Local Planning Legislation (\$1.40 ea.) contains those statutes covering planning boards and local government planning, regulation of subdivisions, and zoning. Amendments made by the 1979 Legislature are included and the statutes are organized in accordance with the new Montana Code Annotated.

★ ★ ★ ★ ★

Annexation Laws of Montana 1979 (\$1.10 ea.) contains those statutes covering annexation of land within incorporated limits. The annexation laws reflect 1979 legislative amendments and the revised organization of the new Montana Code Annotated.

★ ★ ★ ★ ★

A Key to Filing Requirements of the Montana Subdivision and Platting Act and the Montana Sanitation in Subdivision Act (\$.55 ea.). The above acts were passed, respectively, in 1973 and 1967. Since that time subsequent legislatures have amended the acts, state departments have adopted and amended administrative rules, and the Attorney General has delivered several legal opinions in regard to specific language in the acts. As a result, a good deal of confusion exists at the time of filing as to what constitutes a valid certification, what documents must accompany the filed document, and what information must be on the face of the survey document to be in compliance with the law. The key is designed to outline all pertinent requirements of law in order to legally file a survey document.

Copies of these three publications can be ordered from DCA's Community Development Division, Capitol Station, Helena, Montana 59601, (telephone) 449-3757.

(Continued on page 16)

Nine More Counties Released in Land Use Mapping Project

DCA's Community Development Division has received maps of nine more counties prepared through the Statewide Cooperative Land Use Mapping Program. The latest maps for Daniels, Dawson, Golden Valley, Granite, Judith Basin, Lake, Musselshell, Petroleum, and Wibaux bring to twenty-two the total of Montana County maps available for public distribution. Previously published were those for Broadwater, Carbon, Cascade, Deer Lodge, Hill, Lewis and Clark, Mineral, Missoula, Park, Pondera, Powell, Silver Bow, and Teton Counties.

The full-color maps show ten different categories of land use for each county: urban and built-up areas; mineral extraction areas, heavy industry and utility areas; rural and suburban tracts; irrigated cropland; hayland and pastureland; non-irrigated cropland; recreational areas; rangeland; commercial forest and forest cover areas. The scale of the maps is one-half inch to the mile.

Nine state and federal agencies and three corporations are working with the DCA on the mapping project, including the Montana Departments of Fish, Wildlife and Parks, Health and Environmental Sciences, Highways, Natural Resources and Conservation, and State Lands; the U.S. Agriculture Stabilization and Conservation Service, Bureau of Indian Affairs, Bureau of Land Management, Forest Service and Soil Conservation Service; as well as Burlington Northern, Champion Timberlands, and St. Regis Paper Company. Map



drafting is done by the Cartographic Bureau of the Department of Natural Resources. The maps are printed by the Soil Conservation Service at its regional cartographic facilities in Portland, Oregon.

Copies of the maps just published will be sent to the office of the appropriate county commission or county planning board, and county office of the U.S. Soil Conservation Service, for free distribution to the public. Maps of each of the counties previously published may be obtained without charge at these same offices in those thirteen counties.

Copies of the published county maps and the map legend may be ordered directly from DCA's Community Development Division with the accompanying order form.

DCA Community Development Division
Capitol Station
Helena, MT 59620

In order to cover the costs of mailing please enclose \$1.00 for the first map and legend ordered and \$.25 for each additional map or legend included in the same order. (Make checks payable to Montana Department of Community Affairs.)

Name _____

Address _____

Zip Code _____

No. Ordered

____ Broadwater

____ Carbon

____ Cascade

____ Daniels

____ Dawson

____ Deer Lodge

____ Golden Valley

____ Granite

____ Hill

____ Judith Basin

____ Lake

____ Lewis and Clark

Out of Print
____ Mineral

____ Missoula

____ Musselshell

____ Park

____ Petroleum

____ Pondera

____ Powell

____ Silver Bow

Out of Print
____ Teton

____ Wibaux

____ Map Legend

\$ _____ Total Enclosed

Publications of Interest Con't. . . .

Rural and Small Town Planning

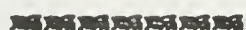
A new planning book entitled *Rural and Small Town Planning* was recently published by the American Planning Association. The text is the result of a manual prepared by APA's research division for the Old West Regional Commission. A number of experienced planners from the region served as advisors to the project and were instrumental in shaping the content and style of the book through their ideas, examples and suggestions.

The book is about planning in rural areas and is written for the staff planner new to local planning. It focuses on the five states of the Old West Region — Montana, Nebraska, North Dakota, South Dakota and Wyoming. However, because the APA felt the book would be useful to rural planners in many other states as well, it sought and received permission to publish and distribute *Rural and Small Town Planning* as a national textbook.

The book emphasizes that the rural planner must be a resourceful and skilled technician tackling a wide range of problems with limited resources. Just as important, the planning must be politically astute and responsive to the needs of the people the planner serves. In rural planning the trick is to do what works best: to innovate, to improvise, to rely on common sense.

The 300 page book covers general plan preparation, implementation tools such as subdivision regulations, zoning and development permitting, as well as planning techniques for community facilities and services, transportation and housing.

DCA's Community Development Division distributed copies of the book to each of Montana's 36 community planning directors without charge. Copies have also been provided to the Montana State Library for distribution to local libraries through the Inter-library Loan Program. The Division will also provide a copy of *Rural and Small Town Planning*, upon request, to any planning board interested in receiving one. The Old West Regional Commission will have a limited supply of the books that it will distribute upon request. The Commission's regional office is located at 201 Main Street, Suite D, Rapid City, SD 57701.



Living on a Few Acres

The 1978 Yearbook of Agriculture, *Living on a Few Acres*, is a practical guide to rural living, describing both its shortcomings and satisfactions. It is designed for people thinking about the country, but who would not intend to earn their principal income from the land.

To urbanites interested in moving to rural America, the major value may be that it points out pitfalls and problems they may encounter in making the transition.

The five sections of the 472-page book include information on pluses and minuses of rural life, acquiring the right site, improvements for your property, how to make the most of the land, and selling the property. The yearbook's 48 chapters are written mainly by specialists in the U.S. Department of Agriculture and the land-grant universities.

A complimentary copy may be requested from Montana's Congressional Representatives or Senators, or may be purchased for \$7.00 from the Superintendent of Documents, U.S. Government Printing Office, Washington, D.C. 20402.



For this holiday season, there's a special type of card that says more than "Season's Greetings." The cards, sponsored by the Montana Association of Women Highway Safety Leaders, the DCA Highway Safety Division and the Montana Tavern Association, show the amount of alcohol you might expect in your bloodstream after one or more drinks.

Of course, the safest policy is still "If you drink, don't drive." But, if you have to mix the two, we hope this chart will serve as a guide for safe holiday travel.

The DCA employees wish you and your family a safe and joyous holiday season.

CHART FOR RESPONSIBLE PEOPLE WHO MAY SOMETIMES DRIVE AFTER DRINKING

APPROXIMATE BLOOD ALCOHOL PERCENTAGE									
Drinks	Body Weight in Pounds								
	100	120	140	160	180	200	220	240	
1	.04	.03	.03	.02	.02	.02	.02	.02	Influenced Rarely
2	.08	.06	.05	.05	.04	.04	.03	.03	
3	.11	.09	.08	.07	.06	.06	.05	.05	
4	.15	.12	.11	.09	.08	.08	.07	.06	
5	.19	.16	.13	.12	.11	.09	.09	.08	Possibly
6	.23	.19	.16	.14	.13	.11	.10	.09	
7	.26	.22	.19	.16	.15	.13	.12	.11	
8	.30	.25	.21	.19	.17	.15	.14	.13	
9	.34	.28	.24	.21	.19	.17	.15	.14	Definitely
10	.38	.31	.27	.23	.21	.19	.17	.15	

Subtract .01% for each 40 minutes of drinking
One Drink is 1 oz. of 100 proof liquor or 12 oz. of beer.
SUREST POLICY IS . . . DON'T DRIVE AFTER DRINKING!

3200 copies of this public document were published at an estimated cost of 24.6¢ per copy, for a total cost of \$786.25, which included \$514.00 for printing by Creative Press, \$144.00 for assembly, labeling and sorting by Helena Rehabilitative Industries, and \$93.25 for postage.

Montana Newsletter

Montana State Library



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